

Panaji, 9th March, 2004 (Phalguna 19, 1925)

SERIES II No. 49

# OFFICIAL GAZETTE

## GOVERNMENT OF GOA

### EXTRAORDINARY

### No. 3

#### GOVERNMENT OF GOA

Department of Finance

Finance Commission Division

#### Notification

No. 2/36/2003-FCC

Whereas consequent to the publication of a White Paper on the Economic Development Corporation Limited there have been demands from various quarters including Members of the Opposition to set up a Commission of Inquiry to inquire into the affairs of the Economic Development Corporation Limited;

And whereas of late the financial health of the Economic Development Corporation Limited has been poor and one of the reasons attributed to this is the huge non performing assets, arising out of unviable loans;

And whereas this issue also came up for discussion in the last Session of the Legislative Assembly, at which time, Government committed on the Floor of the House that a One-Man-Enquiry Commission shall be appointed to inquire into the affairs of the Economic Development Corporation Limited, by a retired High Court Judge;

Now, therefore, in exercise of the powers conferred by Section 3 of the Commissions of Inquiry Act, 1952 (Central Act No. 60 of 1952), the Government of Goa hereby appoints a Commission of Inquiry consisting of Shri Justice M. L. Pendse, retired Chief Justice of Karnataka High Court for the purpose of making an inquiry into the matters specified in this Notification and submitting a report thereon to the Government before the expiry of 180 days from the date of publication of this Notification in the Official Gazette. The inquiry shall cover the following terms of reference, namely:-

- (a) to inquire into and report on the causes, nature of malfunctioning, and circumstances under which the Economic Development Corporation Limited disbursed loans, and performed other functions;
- (b) examination of all illegalities, irregularities in disbursement of loan, sanctioning of loan, and process of recovery;
- (c) to identify persons responsible for irregular, illegal, improper sanction and disbursement of loans, and other connected matters of the Economic Development Corporation Limited;
- (d) to inquire into the financial conditions of the Economic Development Corporation Limited and to identify officials, and other persons responsible and accountable for such lapses, illegalities or irregularities;
- (e) to inquire into the mismanagement of the funds of the Economic Development Corporation Limited by its officials as well as other persons;
- (f) to inquire into matters concerning political and bureaucratic influence on Economic Development Corporation Limited in loan disbursement, loan sanctions, during the period from 1995 upto March, 2003;
- (g) to inquire into and investigate the nexus political influence and matter of favouritism, if any, in financing power juggling units in the State up to the period during which the Economic Development Corporation Limited was under the Industries Department;
- (h) the inquiry shall be in respect of those cases where the loan sanctioned are above rupees twenty lakhs and ultimately turned bad or have been settled

under one time settlement scheme (OTS) or under any variation of the OTS scheme;

- (i) without prejudice to items (a) to (h) above, to inquire into illegalities, irregularities in disbursement or sanction or recovery of loans where loan amount involved is Rs. 20.00 lakhs or below and Commission feels it necessary to inquire into the same or is referred to it specifically or generally by the Government.

All the necessary administrative assistance and also relevant files and documents shall be provided by the Economic Development Corporation Limited to the said

Commission, as and when required. All concerned Officials of Government and Economic Development Corporation Limited shall co-operate to provide any information/ documents required or called for by the Commission.

All the expenditure relating to the Commission shall be met by the Economic Development Corporation Limited.

By order and in the name of the Governor of Goa.

*Rajib K. Sen*, Additional Secretary (FC/FR).

Panaji, 16th January, 2004.